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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/803,814	03/17/2004	Kenneth Algiene	020375-048200US	5909
20350	7590	04/21/2005	EXAMINER	
TOWNSEND AND TOWNSEND AND CREW, LLP TWO EMBARCADERO CENTER EIGHTH FLOOR SAN FRANCISCO, CA 94111-3834			HESS, DANIEL A	
			ART UNIT	PAPER NUMBER
			2876	

DATE MAILED: 04/21/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	10/803,814	ALGIENE, KENNETH	
	Examiner	Art Unit	
	Daniel A. Hess	2876	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 March 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 2, 4-7, 9, 10 and 13-21 is/are rejected.
- 7) ☒ Claim(s) 3, 8, 11 and 12 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>6/21/04</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

This action is in response to 3/17/2004 initial filing by the applicant.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 14 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In particular, there is a contradiction in the following: claim 5, states that the carrier does not have data permitting transactions against an account, and that the presentation instrument *does* permit debit transactions against an account. However, claim 14 recites that the data on the card and the carrier are the same. If they were the same, then they would not do different things, but the same thing.

Claim 17 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 17 contains the phrase "activate the presentation instrument." The notion of *activate* has no meaning without a discussion of such things as debit accounts (which are

Art Unit: 2876

discussed in for example claims 1 and 5) or some other account. A presentation instrument is not activated: it is an account that is activated.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1, 2, 4-7, 9, 13, 15, 16 and 18 are rejected under 35 U.S.C. 102(e) as being anticipated by Kistner et al. (US 6,543,809). Kistner et al. teaches a debit card and package assembly having all of the elements of the above claims. For example, Kister et al. teaches the following:

Re claim 1:

A listing of the claim limitations is given below in italics, followed by a discussion of where the limitation is to be found.

A data card display system, comprising:

a data card having an identifying element thereon associated with a debit account in

order to electronically identify the account and conduct transactions against the account;

and

Art Unit: 2876

See particularly figures 1, 2 and 3 of Kistner et al. (US 6,543,809). There is a data card 14 attached to carrier 12. The data card 14 has (column 2, lines 66-67) personal identifying indicia 18 correlated with a prepaid account. The fact that the card is prepaid places it in the category of debit cards. That the identifier electronically identifies the account can be accepted as a fact of modern accounting, since at the time of the invention, all such numerically identified cards are related to a corresponding account record in an (electronic) computer.

a card carrier for holding the data card for display, the card carrier having an identifying element associated with the account in order to electronically identify the account and activate the account for use by the cardholder, the card carrier identifying element arranged in order to prevent use for conducting transactions against the account.

The card carrier 12 includes on it activation indicia 26 (see figures 1-3; column 3, lines 39-42). Since this is activation indicia, it is clearly understood that this indicia is a necessary prerequisite for using the account, such that the indicia must be entered prior to activation of the account.

Re claim 2:

Re claim 2:

The display system as in claim 1, wherein the data card is selected from the group consisting of a debit card, stored value card, gift card or credit card, wherein the data card is to be removed from the card carrier after activated, and wherein the card carrier is arranged to have its identifying element electronically read prior to removal of the data card.

Art Unit: 2876

As discussed re claim 1 above, Kistner et al.'s card is a prepaid card. This is a stored value card, and also a debit card, since a balance is debited with each use. The detachability of the portions 12 and 14 is discussed in the abstract and throughout the document, and can be seen especially in figure 2. Carrier identifying element 26 is clearly to be read prior during activation, and this certainly could take place prior to detachment, since the identifying element 26 is clearly scannable (see figure 1) with the card 14 still in place.

Re claim 4: As should be clear from the discussion of claim 1 above, the card carrier contains activation data while the card 14 contains different data, namely the card account number itself.

Re claim 5: This claim is rejected for the same reasons as claim 1, above. A difference is that the present claim uses the word 'presentation instrument' rather than data card. It is clear to one of ordinary skill in the art that a data card is a presentation instrument.

Re claim 6: As for reading by a terminal, this is a standard feature of modern transaction card systems. As discussed re claim 4, the data on the card and the carrier are distinguished from each other. The data serves different purposes: the data on the carrier is activation data.

Re claim 7: It has already been established that in Kistner et al., the data on the card and the carrier are distinguished from one another. Regarding the concept of the 'sub-account number' all data can be considered a number when expressed as binary or hexadecimal data. Even ASCII characters are associated with hexadecimal numbers.

Art Unit: 2876

Re claim 9: In Kistner et al., the presentation instrument is a card, as figures 1-3 all show.

Re claim 13: The carrier indicia can be magnetic (see column 2, lines 25-35). Regarding distinguishing whether the data is associated with the card or the card, it has already been discussed re claims 4 and 6 that the data is distinguished.

Re claim 15: See discussion re claim 4, above.

Re claim 16: See discussion re claim 1, above.

Re claim 18: See discussion re claim 1, above.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.

Art Unit: 2876

2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 10 and 19-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kistner et al. The teachings of Kistner et al. as applied to claim 1 have been discussed above.

Re claims 10 and 20: Kistner et al. teaches a prepaid card. It is not explicitly taught that the card is a gift card.

It is well known that many prepaid cards are gift cards. Risafi et al. (US 6,473,500) (see column 18, lines 43-65) is a notable example.

In view of well known art exemplified by Risafi et al., it would have been obvious to one of ordinary skill in the art at the time the invention was made to make the old and well-known prepaid card of Kistner et al. a gift card.

Re claim 19: To begin with, the term 'sub account identifier' is vague; activation information, as is on the carrier of Kistner et al., can be considered a 'sub-account identifier.' Similarly, the card identifier on the card of Kistner et al. can be considered another 'sub-account identifier.' Regarding the account being managed 'at a database management system,' all modern transaction systems feature accounts that are managed by database systems. Kistner et al.'s card features numbers rather than electronic reading, but electronic reading such as a magnetic stripe, taught in most credit cards, would have been obvious to increase transaction speed. The remaining limitations have been discussed re claim 1, above.

Re claim 21: As discussed above, all modern transaction systems are controlled by computer-managed databases.

Allowable Subject Matter

Claims 3, 8, 11 and 12 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

The following is a statement of reasons for the indication of allowable subject matter: The prior art of record and known to the examiner fails to teach or fairly suggest an arrangement generally meeting the limitations of claim 1 or 5, wherein in addition, the identifying information for activation which is stored on the carrier is altered physically, when the card is removed from the carrier.

Conclusion

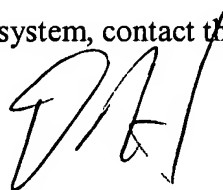
The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. McGee et al. (US 2005/0061889) and Biller (US 2003/01500762) each show cards and their carriers. In those examples, the carriers do *not* have encoded activation data.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel A. Hess whose telephone number is (571) 272-2392. The examiner can normally be reached on 8:00 AM - 5:00 PM M-F.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on (571) 272-2398. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Art Unit: 2876

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



DH



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PRIMARY EXAMINER